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SEP 26 1991

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Office of the Secretary
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ET 12-100

September 26, 1991

Donna R. Searcy, Secretary
Federal Communications Commission
Washington, D.C. 20554

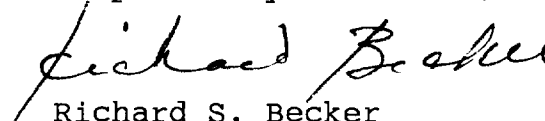
Re: Petition of Echo Group, Ltd.
for Amendment of Section 2.106
of the Commission's Rules to
Create a New Mobile Data Radio
Service in the 930-931 MHz
Band
RM - 7782

Dear Ms. Searcy:

On behalf of Express Communications, Inc., transmitted herewith are "Comments Of Express Communications, Inc." with respect to the above-referenced rulemaking. Pursuant to 47 C.F.R. § 1.51(c)(1), one (1) paper original and four (4) paper copies of the instant pleading are submitted herewith.

Should any questions arise with respect to this matter, please communicate directly with this office.

Respectfully submitted,


Richard S. Becker
Attorney for Express
Communications, Inc.

Enclosures

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SEP 26 1991

Federal Communications Commission
Office of the Secretary

Before the
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In re)
) ET 92-100
Amendment of Section 2.106 of) RM - 7782
the Commission's Rules to)
Create a New Mobile Data Radio)
Service in the 930-931 MHz Band)

To: The Commission

Comments Of Express Communications, Inc.

Express Communications, Inc. ("Express"), hereby comments on the July 30, 1991 Petition for Rulemaking (the "Petition") of Echo Group, L.P. ("Echo") in the above-captioned proceeding. In support thereof, the following is respectfully submitted.

I. Introduction

1. Express is a consulting firm specializing in the communications field. In the course of its business pursuits, Express is familiar with the public demand for communications services in the context of both common carrier and private radio. Express believes that there is a present, but unmet need, for a wireless data communications service. By instituting a rulemaking with respect to the above-captioned petition, the Commission will afford itself an opportunity to assess the public need for a wireless data communications service and act expeditiously to create and license a new Mobile Data Radio Service ("MDRS").

II. The Commission Should Create a Mobile Data Radio Service

A. There Is A Public Need For MDRS

2. As described in the Petition, there are a variety of services that could be provided by MDRS. These services include

mobile computers, two-way data radios, emergency radio location services, medical service, environmental service, credit card verification, facility monitoring, and a host of other uses. In the very near future the demand for two-way mobile data services for business and personal use will expand exponentially. With the introduction of portable computers that will have the capacity to receive and transmit wireless data, the Commission can expect that such demand will be overwhelming. It is likely that the new services that MDRS can provide will become imperative to the regular operation of business in the United States. Accordingly, the public interest would best be served if the Commission allocated frequency bands specifically for MDRS use.

II. Proposed Regulatory Treatment

3. Express supports Echo's proposal for three (3) nationwide licenses and three (3) local licenses. Express believes that the licensing of nationwide applicants is critical to the swift and efficient deployment of an MDRS service. Accordingly, with respect to applicants for nationwide MDRS licenses, Express has several recommendations.

A. Nationwide Applicants

4. In order to ensure that only qualified applicants that intend to construct nationwide MDRS systems receive licenses, the Commission should impose high entry standards and restrictions on resale that would limit the number of speculative applicants. In order to reduce the number of speculative applicants, Express proposes that the Commission require each nationwide MDRS applicant

to submit with its application: (1) an engineering proposal; (2) a business plan; and (3) a firm financial commitment letter from a recognized financial institution. Further, the Commission should place stringent construction and financial requirements on applicants and licensees.

1. Construction Requirements

5. The construction requirements of an MDRS nationwide licensee should be: (i) ten (10%) percent construction of the system within two (2) years of license grant; (ii) forty (40%) percent of construction within four (4) years of license grant; (iii) seventy percent (70%) of construction within six (6) years of license grant; and (iv) construction of the complete system within ten (10) years of license grant.¹

2. Financial Showing Standards

6. Express recommends the adoption of a firm financial commitment standard utilized by the Commission for RSA cellular applications found in Section 22.917 of the Commission's Rules, 47 C.F.R. § 22.917. However, Express believes that this standard should be strengthened in accordance with footnote 80 of the NPRM. Specifically, applicants relying on firm financial commitments from non-bank institutions should be required to demonstrate that these institutions possess sufficient "funds available" to cover the commitment of building the entire nationwide system. This "bright

¹Express recommends the adoption of the "continuous operation" standard set forth by the Commission in its Notice of Proposed Rulemaking, PR Docket No. 89-553, 4 FCC Rcd 8673, 8678, released December 18, 1989 (hereafter "NPRM").

line" available funds test will allow the Commission to conduct lotteries only with sincere applicants that have the management and financial resources to construct and operate a MDRS nationwide system. A second and more important benefit of such a standard will be rapid development and operation of commercially viable nationwide MDRS. Firms interested in actually providing nationwide MDRS service would not have to devote time, effort and financial resources to purchase or lease licensed spectrum from speculative licensees. The interested firms, if licensed, would immediately initiate construction and begin providing MDRS services to the public.

3. Resale Restrictions

7. Express advocates that the Commission prohibit a nationwide licensee from selling, transferring, or otherwise disposing of an equity interest in the licensee for a period of four (4) years from the license grant date. Such a restriction would greatly reduce the number of speculative applicants.

III. Interface or Integration With Other Services

8. If the Commission were to award MDRS nationwide licenses, "interface" or "integration" would be possible with Multiple Address Systems ("MAS"), systems built pursuant to the recent 220-222 MHz allocation, and Special Mobile Radio ("SMR") systems in the 900 MHz frequency band.

9. This interface or integration would be particularly beneficial in the MAS arena because absent a "grouping" of MAS licensees in a particular area, rapid construction and operation of

these systems is unlikely. The reason for this is that MAS licensees will encounter difficulties in attracting financing as well as constructing and operating their respective systems.² Accordingly, commercial enterprises, governmental agencies and members of the general public will be provided with only limited and fragmented wireless data communications services. However, if the Commission were to allow interface or integration between nationwide MDRS systems and MAS systems, the nationwide MDRS systems could provide a natural umbrella under which MAS licensees could attract financing, offer a greater number of services and receive vital business and management services. The end result of such interface or integration would be the rapid construction of MAS systems and the creation of a nationwide mobile and fixed position wireless data system.

IV. Conclusion

10. The recent number of applications filed for the 220-222 MHz frequency band licenses demonstrates that the market for spectrum efficient wireless data communications services is enormous. Communications industry analysts anticipate that such demand will increase greatly over the next ten (10) years. If the Commission is truly committed to the rapid and successful deployment of a wireless data communications service, the Commission should allocate the 930-931 MHz frequency band to MDRS. Further, an MDRS service that is complementary to MAS will better

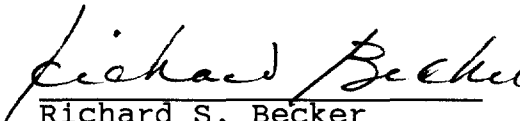
²The cost of installing an MAS system has been estimated conservatively by CCC Data, Inc., an affiliate of Columbia Cellular Corporation, at \$25,000.

serve both market demand and the public interest than the presently pending alternative proposals for 930-931 MHz before the Commission.

WHEREFORE, for all of the foregoing reasons, Express supports the Petition and respectfully requests that the Commission initiate a rulemaking to create a new Mobile Radio Data Service.

Respectfully submitted,

EXPRESS COMMUNICATIONS, INC.

By: 
Richard S. Becker
Paul G. Madison

Its Attorneys

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CERTIFICATE OF SERVICE

I, Vicky Chandor, a secretary for Richard S. Becker, do hereby certify that I have on this 26th day of September, 1991, sent by first class United States mail copies of the foregoing "Comments of Express Communications, Inc." to the following:

Thomas J. Casey, Esquire
Jay L. Birnbaum, Esquire
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Vicky Chandor

* Hand delivered